

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:202

ANSWERED ON:01.03.2002

CORRUPTION IN FCI

BODAKUNTI VENKATESHWARLU; YEMPARALA VENKATESWARA RAO

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the attention of the Union Government have been drawn to the news-item captioned `Swindlers force FCI to halt transport subsidy for rice exports`, appearing in `Economic Times`, dated 15th January, 2002;
- (b) if so, the details of the facts reported therein;
- (c) whether action has been taken against those officers/employees involved in the fraud and also to stop recurrence of such incidents in future;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI PRADHAN)

(a): Yes, Sir.

(b): The news item inter alia refers to alleged diversion of rice meant for export into the domestic market and bogus freight claims.

(c),(d)&(e): On receipt of allegations about malpractices in export of rice from the Central Pool, the reimbursement of transport subsidy was suspended. The matter was examined and thereafter the transport subsidy was resorted with additional safeguards. There is no report of involvement of FCI officers/employees.